

## AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Type: <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other		Local Government Name: <u>Genesee County Metropolitan Planning Commission</u>	County <u>Genesee</u>
Audit Date <u>9/30/05</u>	Opinion Date <u>12/23/05</u>	Date Accountant Report Submitted To State:	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations.

You must check the applicable box for each item below:

- |   |   |
|---|---|
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).  |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).  |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91] or P.A. 55 of 1982, as amended [MCL 38.1132])   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year). |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).  |

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reports on individual federal assistance programs (program audits).	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Single Audit Reports (ASLGR).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Certified Public Accountant (Firm Name): <b>PLANTE &amp; MORAN, PLLC</b>			
Street Address <u>111 East Court Street, Suite 1A</u>	City <u>Flint</u>	State <u>MI</u>	ZIP <u>48502</u>
Accountant Signature  <i>Plante &amp; Moran, PLLC</i>			

**Genesee County Metropolitan Planning Commission**  
(A Department of Genesee County)

**Financial Report**  
**With Other Supplementary Information**

**September 30, 2005**

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*Independent Auditors' Report*

To the Board of Directors of  
Genesee County Metropolitan Planning Commission

We have audited the basic financial statements of the Genesee County, Michigan for the year ended September 30, 2005, and have issued our report thereon dated December 30, 2005, which expressed unqualified opinion on the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. Those basic financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these basic financial statements based on our audit. The basic financial statements for the year ended September 30, 2004, were audited by other auditors whose report dated January 12, 2005, expressed unqualified opinions on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards* issued by the Comptroller General of the United States, and provisions of Office of Management and Budget Circular A-133, "*Audits of States, Local Governments, and Non-Profit Organizations*." Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 23, 2005 on our consideration of Genesee County Metropolitan Planning Commission's internal control over financial reporting and our test of compliance with certain laws, regulations, contracts, and grants.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Genesee County's basic financial statements. The accompanying financial statements of the Genesee County Metropolitan Planning Commission are presented to the purpose of additional analysis and are not a required part of the basic financial statements. The information presented has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PLANTE & MORAN, PLLC

December 23, 2005

**Genesee County Metropolitan Planning Commission  
Balance Sheet**

	September 30	
	2005	2004
<b>Assets</b>		
Cash	\$ 520,166	\$ 425,055
Accounts receivable	116,705	75,477
Due from employees	-	250
Due from other governmental units	334,322	492,686
Due from Genesee County Community Development	97,610	148,261
<b>Total assets</b>	<b>\$ 1,068,803</b>	<b>\$ 1,141,729</b>
<b>Liabilities</b>		
Accounts payable	\$ 27,515	\$ 61,285
Accrued liabilities	115,761	54,505
Due to Genesee County General Fund	318,532	420,265
<b>Total liabilities</b>	<b>461,808</b>	<b>536,055</b>
<b>Equity and Other Credits</b>		
Fund balance - unreserved:		
Designated for solid waste activities	306,509	239,880
Designated for compensated absences	52,609	77,089
Designated for contractual disallowances	17,630	17,630
Designated for local match on grant	15,000	15,000
Designated for aerial refight	113,245	10,014
Undesignated	102,002	246,061
<b>Total equity and other credits</b>	<b>606,995</b>	<b>605,674</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 1,068,803</b>	<b>\$ 1,141,729</b>

*See notes to financial statements.*

**Genesee County Metropolitan Planning Commission**  
**Combined Statement of Revenues, Expenditures, and Changes in Fund Balance**

	Year Ended September 30	
	2005	2004
<b>Revenues</b>		
Charges for services	\$ 850,341	\$ 971,271
Licenses and permits	26,631	7,540
Local sources	591,998	655,529
State sources	47,944	267,060
Federal sources	540,699	542,156
<b>Total revenue</b>	<b>2,057,613</b>	<b>2,443,556</b>
<b>Expenditures</b>		
Personnel services	901,747	916,484
Fringe benefits	689,331	748,222
Consulting services	138,166	234,655
Other services	124,786	154,339
Travel and conferences	6,347	4,914
Supplies and office costs	74,775	77,997
Contribution to primary government	7,500	-
Rent and other county department costs	73,100	70,063
Capital outlay	40,540	6,478
<b>Total expenditures</b>	<b>2,056,292</b>	<b>2,213,152</b>
<b>Excess of revenues over expenditures</b>	<b>1,321</b>	<b>230,404</b>
<b>Fund balance - beginning of year</b>	<b>605,674</b>	<b>375,270</b>
<b>Fund balance - end of year</b>	<b>\$ 606,995</b>	<b>\$ 605,674</b>

*See notes to financial statements.*

**Genesee County Metropolitan Planning Commission  
Combined Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual**

Year Ended September 30, 2005			
	Actual Total	Original and Final Budget	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Charges for services	\$ 850,341	\$ 1,143,463	\$ (293,122)
Licenses and permits	26,631	-	26,631
Local sources	591,998	578,482	13,516
State sources	47,944	126,223	(78,279)
Federal sources	540,699	799,042	(258,343)
<b>Total revenue</b>	<b>2,057,613</b>	<b>2,647,210</b>	<b>(589,597)</b>
<b>Expenditures</b>			
Personnel services	901,747	1,030,009	128,262
Fringe benefits	689,331	893,905	204,574
Consulting services	138,166	410,000	271,834
Other services	124,786	113,717	(11,069)
Travel and conferences	6,347	9,450	3,103
Supplies and office costs	74,775	108,635	33,860
Contribution to primary government	7,500	-	(7,500)
Rent and other county department costs	73,100	77,494	4,394
Capital outlay	40,540	4,000	(36,540)
<b>Total expenditures</b>	<b>2,056,292</b>	<b>2,647,210</b>	<b>590,918</b>
<b>Excess of revenues over expenditures</b>	<b>1,321</b>	<b>-</b>	<b>1,321</b>
<b>Fund balance - beginning of year</b>	<b>605,674</b>	<b>605,674</b>	<b>-</b>
<b>Fund balance - end of year</b>	<b>\$ 606,995</b>	<b>\$ 605,674</b>	<b>\$ 1,321</b>

*See notes to financial statements.*

**Genesee County Metropolitan Planning Commission**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2005**

**1. Summary of significant accounting policies**

The Genesee County Metropolitan Planning Commission (Commission) was created in 1963 and has full direct authority conferred by statute over the planning department and its information gathering and planning programs.

The accounting policies of the Commission conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant policies.

**A. Reporting entity:**

The Commission is considered a department of Genesee County's governmental operation. As such, this financial statement presents only the fund of the Genesee County Metropolitan Planning Commission and do not purport to, and do not, present fairly the financial position of Genesee County, Michigan, as of September 30, 2005 and the changes in financial position for the year ended in conformity with accounting principles generally accepted in the United States. Industry standards require the County to include the financial activities of the Commission in the County's Annual Financial Report. The Annual Financial Report of Genesee County is available for public inspection at the Governmental Center.

**B. Fund accounting:**

For external financial reporting purposes, the Commission accounts for its three district programs (activities) within one General Fund.

**C. Basis of accounting:**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Gross receipts are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**D. Short-term inter-government receivables/payables:**

During the course of operations, numerous transactions occur between individual inter-government funds for goods provided or services rendered. These receivables and payables are classified as "Due from Other Governmental Units" or "Due to Other Governmental Units" on the balance sheet.



**Genesee County Metropolitan Planning Commission**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2005**

**1. Summary of significant accounting policies - (continued)**

**E. Budgets and budgetary accounting:**

The Commission follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Commission adopts a budget which has a different perspective than required by accounting principles generally accepted in the United States of America. The Commission adopts a budget on an organization-wide basis (combined general and special revenue funds). As a result, the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP) and Actual present General and Special Revenue Fund Types actual activity as a combined total.
2. Prior to September 1, the Director of the Commission prepares from data submitted by the administrative staff a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and resources to finance them.
3. Prior to September 30, the budget is approved by the County Board of Commissioners and legally enacted on a line item basis.
4. Budget appropriations lapse at year end.
5. The original budget is amended, if needed, during the year in compliance with state laws. The budgets to actual expenditures in the financial statements represent the final budgeted expenditures as amended by the Commission.

**F. Indirect costs:**

The Commission utilizes a cost allocation plan for the various grant funds to reimburse the General Fund for certain administrative costs incurred. Actual indirect cost and fringe benefit rates for the 2005 fiscal year were 40.49% and 79.71%, respectively. The indirect cost plan submitted and approved by the Michigan Department of Transportation for the 2005 fiscal year had indirect cost and fringe benefit rates of 42.00% and 70.05%, respectively, for October through March and 42.00% and 80.00%, respectively, for April through September. Any excess actual rates charged over approved rates are absorbed by the Commission through operating transfers.

**G. Total columns on combined financial statements:**

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations or changes in financial position in conformity with accounting principles generally accepted in the United States of America. Neither is such data comparable to a consolidation.

**H. Estimates:**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Genesee County Metropolitan Planning Commission  
Notes to Financial Statements  
For the Year Ended September 30, 2005**

**2. Cash**

The Commission's cash is a part of the County's pooled cash account except for cash on hand.

At year end, the carrying amount of the Commission's cash accounts had a combined balance of \$201,634. For financial statement presentation purposes, \$520,166 is classified as cash and \$318,532 is classified as due to Genesee County General Fund. Since the amounts are included in the County's Pooled cash, the Commission's share of the bank balance is unknown. For the same reason, the balance covered by Federal Depository Insurance is also unknown.

**3. Investments**

State status authorized the Commission to invest in obligations of the U.S. Treasury and U.S. agencies, deposit agreements with federally insured financial institutions maintaining an office located within the State of Michigan, high grade commercial paper, repurchase obligations of the U.S. Government and U.S. agencies, banker's acceptances of U.S. banks, and mutual funds comprised of the above authorized investments.

The Commission did not hold any investments during the year or at year end.

**4. Capital assets**

In the Comprehensive Annual Financial Report of Genesee County, the following information is rolled into the government-wide financial statements as the Commission's portion of capital assets.

The following is a summary of changes in the Commission's gross capital assets:

	Balance September 30, <u>2004</u>	<u>Additions</u>	<u>Reductions</u>	Balance September 30, <u>2005</u>
Office equipment and furniture	<u>\$314,323</u>	<u>\$ 40,540</u>	<u>\$ 2,933</u>	<u>\$351,930</u>

**5. Defined benefit pension plan**

The Commission has a defined benefit pension plan covering substantially all employees. The plan is administrated by the Genesee County Employees Retirement System (GCERS), which is a component unit of Genesee County and acts as the contributory agent of the multi-employer defined benefit pension plan.

The plan covers all employees who are paid by a GCERS employer more than 50% of all compensation received by them for personal services. Exemptions to the 50% rule include the County Board of Commissioner's, and Judges and County Juvenile Officers who are paid partially by the County and partially by the State.

**Genesee County Metropolitan Planning Commission  
Notes to Financial Statements  
For the Year Ended September 30, 2005**

**5. Defined benefit pension plan – (continued)**

The GCERS was organized pursuant to Section 12a of Act #156, Public Acts of 1851 (MSA 5.33(1); MCLA 46.12(a) as amended, State of Michigan. The GCERS was established by ordinance in 1946, beginning with the General Unit and the County Road Commission.

Employees are immediately members of GCERS and are required to deposit from .5% to 10.74% of all monetary compensation, including overtime. Deposits are accumulated in individual accounts for each member remaining in service. If a member leaves service, he/she may withdraw his/her accumulated contribution together with the interest credited to his/her account. Generally, employees with 23-25 years of credited service regardless of age or age 60 with eight or more years of services can receive a regular retirement benefit. The retirement benefit varies by employee group but, generally, the benefit is equal to final average compensation times the sum of 2.4% for all years of credited services and is payable monthly for life. Benefits fully vest on reaching 10 years of service. Two employers recently negotiated a fifteen year of service provision for the deferred annuity for new employees, each with a different effective date. The commencement date for the deferred annuity varies by bargaining group from a 20 to 25 year anniversary date of employment or age 60 with at least eight years of service, whichever is the earliest. The GCERS issues a separate financial report and it can be obtained from the Retirement Coordinator at the County's Administration Office, 1101 Beach Street, Flint, Michigan 48502.

The GCERS employers are required to make adequate contributions to fund the retirement allowances provided by the System. The contribution rates are determined by an annual actuarial valuation based on certain assumptions along with consideration of members contributions and assumed investment income.

Investments of the plan are made through Comerica of Detroit (trustee). Member and employer contributions, benefits, and refunds are recognized when due. The investments are recorded on the balance sheet at market value as determined by the custodian. The custodian utilizes electronic feeds from external pricing vendors for the majority of the investments. Gains and losses on the exchanges, or "swaps" of securities, are accounted for under the completed transactions method.

There were no investments in any one organization that represent 5 percent or more of the plan net assets.

**6. Defined contribution pension plan**

The County offers a defined contribution pension plan as an alternative to the defined benefit pension plan. The International City Managers Association (ICMA) administers the plan, and the County Board of Commissioners has authority over plan provisions and contribution requirements. All employees are eligible to participate in this plan, if not participating in the Defined Benefit Plan. The County is required to contribute 10% of eligible employees' annual covered payroll, and employees are required to contribute between 3% and 7% of covered payroll. Employees are vested after 5 years of service. During the year ended September 30, 2005, County total employer and employee contributions to the plan were \$2,820,858 and \$1,370,700, respectively.

**Genesee County Metropolitan Planning Commission  
Notes to Financial Statements  
For the Year Ended September 30, 2005**

**7. Contingencies and commitments**

**Federal grants:**

The Commission participates in a number of federally assisted grant programs. These programs are subject to program compliance audits. The audits of these programs for or including the year ended September 30, 2005 have been conducted, and have been reported in this report. The General Fund fund balance has been designated in the amount of \$17,630 for potential expenditure disallowance of prior year grants.

The compliance audit reports for the current year have not yet been accepted by the grantor. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Commission expects such amounts, if any, to be immaterial.

During 1991, the Board designated an additional \$15,000 of the General Fund balance to be expended as local matching funds for an Economic Development Agency Title IX grant.

**8. In-kind donations**

During the 2005 fiscal year, the Commission received an in-kind donation allowing for the use of digital maps. The access to the maps was treated as a local match for grant purposes with a value of \$893. In accordance with generally accepted accounting principles, this amount was not recognized as revenue or expenses in the financial statements.

## **Other Supplementary Information**

**Genesee County Metropolitan Planning Commission**  
**Balance Sheet - by Program**  
**September 30, 2005**  
(with summarized information for September 30, 2004)

	General	Solid Waste	Transportation Planning Grant	Totals	
				2005	2004
<b>Assets</b>					
Cash	\$ 280,481	\$ 239,685	\$ -	\$ 520,166	\$ 425,055
Accounts receivable	44,085	72,620	-	116,705	75,477
Due from employees	-	-	-	-	250
Due from other governmental units	-	-	334,322	334,322	492,686
Due from Genesee County Community Development	97,610	-	-	97,610	148,261
<b>Total assets</b>	<b>\$ 422,176</b>	<b>\$ 312,305</b>	<b>\$ 334,322</b>	<b>\$ 1,068,803</b>	<b>\$ 1,141,729</b>
<b>Liabilities</b>					
Accounts payable	\$ 22,124	\$ 3,124	\$ 2,267	\$ 27,515	\$ 61,285
Accrued liabilities - payroll	99,566	2,672	13,523	115,761	54,505
Due to Genesee County General Fund	-	-	318,532	318,532	420,265
<b>Total liabilities</b>	<b>121,690</b>	<b>5,796</b>	<b>334,322</b>	<b>461,808</b>	<b>536,055</b>
<b>Fund Balance</b>					
Fund balance - unreserved:					
Designated for solid waste activities	-	306,509	-	306,509	239,880
Designated for compensated absences	52,609	-	-	52,609	77,089
Designated for contractual disallowances	17,630	-	-	17,630	17,630
Designated for local match on grant	15,000	-	-	15,000	15,000
Designated for aerial reflight	113,245	-	-	113,245	10,014
Undesignated	102,002	-	-	102,002	246,061
<b>Total equity and other credits</b>	<b>300,486</b>	<b>306,509</b>	<b>-</b>	<b>606,995</b>	<b>605,674</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 422,176</b>	<b>\$ 312,305</b>	<b>\$ 334,322</b>	<b>\$ 1,068,803</b>	<b>\$ 1,141,729</b>

**Genesee County Metro Planning Commission**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance - by Program**  
**Year Ended September 30, 2005**  
(with summarized information for the year ended September 30, 2004)

	General	Solid Waste	Transportation Planning Grant
<b>Revenues</b>			
Charges for service	\$ 654,726	\$195,615	\$ -
Licenses and permits	-	26,631	-
Local sources			
County appropriation	558,482	-	-
Interest income	44	-	-
Miscellaneous - map sales, etc.	33,472	-	-
Total local sources	591,998	-	-
State sources:			
MEDC	-	-	-
Rideshare	-	-	-
Region V	-	-	47,944
Total state sources	-	-	47,944
Federal sources:			
FHWA	-	-	403,251
Rideshare	-	-	-
FTA (Section 8)	-	-	137,448
Total federal sources	-	-	540,699
Total revenues	1,246,724	222,246	588,643
<b>Expenditures</b>			
Personnel services	629,533	42,334	229,880
Fringe benefits	467,239	38,857	183,235
Consulting services	-	30,431	107,735
Other services	95,502	8,335	20,949
Travel and conferences	3,631	1,437	1,279
Supplies and office costs	68,253	3,417	3,105
Contributions to primary government	7,500	-	-
Rent and other county department costs	73,100	-	-
Capital outlay	40,540	-	-
Total expenditures	1,385,298	124,811	546,183
Excess revenues over (under) expenditures	(138,574)	97,435	42,460
<b>Other financing sources (uses)</b>			
Transfers in (out)	73,266	(30,806)	(42,460)
Total other financing sources (uses)	73,266	(30,806)	(42,460)
Excess revenues over (under) expenditures and other financing sources (uses)	(65,308)	66,629	-
Fund balance - beginning of year	365,794	239,880	-
Fund balance - end of year	\$ 300,486	\$ 306,509	\$ - 0 -

Totals	
2005	2004
\$ 850,341	\$ 971,271
26,631	7,540
558,482	623,413
44	18
33,472	32,098
591,998	655,529
-	70,278
-	32,789
47,944	163,993
47,944	267,060
403,251	420,849
-	32,789
137,448	88,518
540,699	542,156
2,057,613	2,443,556
901,747	916,484
689,331	748,222
138,166	234,655
124,786	154,339
6,347	4,914
74,775	77,997
7,500	-
73,100	70,063
40,540	6,478
2,056,292	2,213,152
1,321	230,404
-	-
-	-
1,321	230,404
605,674	375,270
\$ 606,995	\$ 605,674



**Genesee County Metropolitan Planning Commission  
Planning Grants  
Schedule of Revenues and Expenditures - Grantor Approved Budget and Actual  
Year Ended September 30, 2005**

**Revenues**

	<b>10/01/04 To 9/30/05</b>	<b>Grantor Approved Budget</b>	<b>Variance Favorable (Unfavorable)</b>
FHWA	\$ 366,740	\$ 528,136	\$ (161,396)
STPU	36,511	36,511	-
Federal Transit Authority (Section 8)	137,448	250,906	(113,458)
GLS Region V	47,944	95,673	(47,729)
County Appropriation	124,823	188,968	(64,145)
<b>Total revenues</b>	<b>\$ 713,466</b>	<b>\$ 1,100,194</b>	<b>\$ (386,728)</b>
<b>Total expenditures</b>	<b>\$ 713,466</b>	<b>\$ 1,100,194</b>	<b>\$ 386,728</b>

**Genesee County Metropolitan Planning Commission**  
**Planning Grants**  
**Schedule of Expenditures by Grant Source**  
**As of September 30, 2005**

	<b>FHWA</b>	<b>STPU</b>	<b>Federal Transit Authority Section 8</b>	<b>GLS Region V</b>	<b>County Appropriation</b>	<b>Total</b>
	<b>10/01/04 To 9/30/05</b>	<b>10/01/04 To 9/30/05</b>	<b>10/01/04 To 9/30/05</b>	<b>10/01/04 To 9/30/05</b>		
Personnel services	\$ 139,654	\$ -	\$ 32,181	\$ 18,973	\$ 39,072	\$ 229,880
Fringe benefits	111,315	-	25,652	15,123	31,145	183,235
Consulting services	-	36,511	50,112	-	21,112	107,735
Other services	11,546	-	5,220	-	4,183	20,949
Travel	771	-	254	-	254	1,279
Supplies	1,838	-	613	42	612	3,105
Indirect cost	101,616	-	23,416	13,806	28,445	167,283
<b>Total expenditures</b>	<b>\$366,740</b>	<b>\$ 36,511</b>	<b>\$137,448</b>	<b>\$ 47,944</b>	<b>\$ 124,823</b>	<b>\$ 713,466</b>

**Genesee County Metropolitan Planning Commission  
Required Supplementary Information  
Analysis of Funding Progress for  
Genesee County Employees' Retirement System  
Year Ended September 30, 2005**

<u>Plan Year End</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a) (000's)</u>	<u>Actuarial Accrued Liability Attained Age (AAL) (b) (000's)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c) (000's)</u>	<u>UAAL as % of Covered Payroll (b-a)/c</u>
12/31/04	12/31/04	\$404,493	\$458,069	\$ 53,576	88.3%	\$ 71,274	75.17%
12/31/03	12/31/03	405,218	433,148	27,930	93.6	70,143	39.82
12/31/02	12/31/02	414,126	423,009	8,883	97.9	68,667	12.9

Note: This represents the data for the entire Retirement System.

**Federal Awards  
Supplemental Information**

**Genesee County Metropolitan Planning Commission  
(A Department of Genesee County)**

**September 30, 2005**

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## Independent Auditor's Report

To the Members of the Board  
Genesee County Metropolitan Planning Commission  
Flint, Michigan

We have audited the basic financial statements of the Genesee County, Michigan for the year ended September 30, 2005, and have issued our report thereon dated December 23, 2005, which expressed unqualified opinion on the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. Those basic financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these basic financial statements based on our audit. The basic financial statements for the year ended September 30, 2004, were audited by other auditors whose report dated December 22, 2004, expressed unqualified opinions on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Genesee County's basic financial statements. The accompanying schedule of expenditures of federal awards of the Genesee County Metropolitan Planning Commission are presented to the purpose of additional analysis and are not a required part of the basic financial statements. The information presented has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*PLANTE & MORAN, PLLC*

December 23, 2005

**Report on Internal Control Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards***

To the Members of the Board  
Genesee County Metropolitan Planning Commission  
Flint, Michigan

We have audited the basic financial statements of the Genesee County as of and for the year ended September 30, 2005, and have issued our report thereon dated December 23, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the Genesee County Metropolitan Planning Commission's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Genesee County Metropolitan Planning Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Commission, management, State of Michigan, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*PLANTE & MORAN, PLLC*

December 23, 2005



Report on Compliance with Requirements Applicable to Each  
Major Program and on Internal Control Over Compliance in  
Accordance with OMB Circular A-133

To the Members of the Board  
Genesee County Metropolitan Planning Commission  
Flint, Michigan

### Compliance

We have audited the compliance of the Genesee County Metropolitan Planning Commission with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended September 30, 2005. The major programs of Genesee County Metropolitan Planning Commission identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Genesee County Metropolitan Planning Commission's management. Our responsibility is to express an opinion on Genesee County Metropolitan Planning Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Genesee County Metropolitan Planning Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Genesee County Metropolitan Planning Commission's compliance with those requirements.

In our opinion, the Genesee County Metropolitan Planning Commission complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended September 30, 2005.

### Internal Control over Compliance

The management of the Genesee County Metropolitan Planning Commission is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Genesee County Metropolitan Planning Commission's internal control over compliance with requirements that could have a

direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operations that we consider to be material weaknesses.

This report is intended solely for the information of the Commission, management, the State of Michigan, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*PLANTE & MORAN, PLLC*

December 23, 2005

**Genesee County Metropolitan Planning Commission  
Schedule of Expenditures of Federal Financial Awards  
For the Year Ended September 30, 2005**

<b>Federal Grantor/ Pass Through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Project Number</b>	<b>Program Or Award Amount</b>
<b>Federal Highway Administration</b>			
Passed Through Michigan Dept of Transportation:			
Highway Planning and Construction	20-205		
Section 112 - Unified Work			
Program (9/30/04)		77412	\$ 510,918
Section 112 - Unified Work			
Program (9/30/05)		80846	528,136
STPU (9/30/04)		50151	<u>123,669</u>
<b>Total</b>			<u><b>1,162,723</b></u>
Passed Through Michigan Dept of Transportation:			
Surface Transportation Funding	20-205		
- Rideshare Program			
Program year ended 9/30/04		766440	<u>32,800</u>
<b>Total Rideshare Program</b>			<u><b>32,800</b></u>
<b>Total Federal Highway Administration</b>			<u><b>1,195,523</b></u>
<b>Federal Transit Administration</b>			
Passed Through Michigan Dept of Transportation:			
Urban Mass Transportation			
Technical Studies Grants	20-505		
Sec. 8 - Planning and Technical Assistance			
Program year ended 9/30/04		77177	249,214
Program year ended 9/30/05		80847	<u>250,906</u>
<b>Total Federal Transit Administration</b>			<u><b>500,120</b></u>
<b>Total Federal Financial Assistance</b>			<u><u><b>\$ 1,695,643</b></u></u>

Deferred Revenue (Accounts Receivable) 10/01/04	Current Year Cash/ Payments In Kind Received	Current Year Expenditures	Deferred Revenue (Accounts Receivable) 09/30/05
\$ (114,136)	\$ 114,136	\$ -	\$ -
-	210,163	366,740	(156,577)
(87,158)	87,158	36,511	(36,511)
(201,294)	411,457	403,251	(193,088)
(23,687)	23,687	-	-
(23,687)	23,687	-	-
(224,981)	435,144	403,251	(193,088)
(35,862)	35,862	-	-
-	86,065	137,448	(51,383)
(35,862)	121,927	137,448	(51,383)
\$ (260,843)	\$ 557,071	\$ 540,699	\$ (244,471)

**Genesee County Metropolitan Planning Commission**  
**Notes to the Schedule of Expenditures of Federal Financial Awards**  
**September 30, 2005**

**1. Basis of presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Genesee County Metropolitan Planning Commission and is presented on the same basis of accounting as the basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Genesee County Metropolitan Planning Commission  
Schedule of Findings and Questioned Costs  
For the Year Ended September 30, 2005**

**Section I - Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued:

Unqualified

Going concern explanatory paragraph included

\_\_\_\_\_ Yes      X No

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_\_ Yes      X No

Reportable condition(s) identified that are  
not considered to be material weaknesses?

\_\_\_\_\_ Yes      X None reported

Noncompliance material to financial statements  
noted?

\_\_\_\_\_ Yes      X No

Federal Awards

Internal control over major program(s):

Material weakness(es) identified?

\_\_\_\_\_ Yes      X No

Reportable condition(s) identified that are  
not considered to be material weaknesses?

\_\_\_\_\_ Yes      X None reported

Type of auditor's report issued on compliance  
for major programs:

Unqualified

Any audit findings disclosed that are required  
to be reported in accordance with  
Section 510(a) of Circular A-133?

\_\_\_\_\_ Yes      X No

Identification of major programs:

CFDA Numbers

Name of Federal Program or Cluster

20.205

Highway Planning and Construction

Dollar threshold used to distinguish  
between Type A and Type B programs

\$300,000

Auditee qualified as low-risk auditee

X Yes      \_\_\_\_\_ No

(continued)

**Genesee County Metropolitan Planning Commission  
Schedule of Findings and Questioned Costs – (continued)  
For the Year Ended September 30, 2005**

**Section II – Federal Programs Auditing Findings**

Findings relating to the financial statements reported in accordance with *Governmental Auditing Standards*:

None

**Section III**

Findings and questioned costs relating to federal awards:

None

**Genesee County Metropolitan Planning Commission  
Summary Schedule of Prior Audit Findings  
For the Year Ended September 30, 2005**

There were no prior year audit findings.